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CONFIDENTIAL LA PAZ 001062

SIPDIS

WHA/AND FOR KEVIN WHITAKER, BARBARA ROCHA

E.O. 12958: DECL: 07/22/2019

TAGS: <u>PGOV PREL KDEM PINR EAID OPDC BL</u> SUBJECT: USAID SUSPENSION: DIPLOMATIC NOTE

REF: A. LA PAZ 1027 <u>¶</u>B. LA PAZ 1043

Classified By: Charge d'Affaires James Creagan for reasons 1.4 (b, d)

- 11. (SBU) This is an action request. See paragraph 3.
- 12. (C) As per reftel A, Embassy has prepared a draft diplomatic note to be delivered to the GOB Ministry of Foreign Affairs regarding Planning Minister Noel Aguirre's request to Charge Creagan on July 9 to suspend all USAID Democracy and Governance programming effective July 15. Proposed text follows in paragraph 4. Charge expects to talk again with Foreign Minister Choquehuanca on July 22, following the GOB's cabinet meeting.
- $\underline{\mathbb{I}}$ 3. (SBU) Action request: Please review and clear the proposed text, which Embassy will be pleased to translate into Spanish and deliver as a diplomatic note.
- ¶4. (SBU) Begin draft text:

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs and Worship of the Plurinational State of Bolivia and has the honor to refer to the attached letter from the Minister of Planning and Development, Lic. Noel Aguirre, to John Niemeyer, Acting Director, USAID/Bolivia, dated July 9, 2009.

This letter, which was delivered in person by Minister Aguirre at a July 9 meeting with Charge d, Affaires James F. Creagan, states that USAID programs in the democracy sector shall remain "without effect," as of July 15, 2009. The letter also requests detailed information on all USAID assistance programming in Bolivia.

In accordance with the letter, USAID has instructed its implementing partners in the democracy and governance sector to suspend public events, trainings, and other related activities effective July 15, 2009.

The Embassy of the United States notes many of these programs were specifically requested by, or coordinated with, the Government of Bolivia. As examples, the Integrated Justice Centers represent a large portion of the democracy programs. The Ministry of Justice specifically requested that USAID support these centers. That was done. An upcoming municipal strengthening activity was planned and coordinated with the Federation of Municipal Associations (FAM) and would involve infrastructure and other projects. USAID assistance in election monitoring and support was recently requested by the National Election Court.

Suspension of ongoing USAID programs like those above incurs considerable administrative costs that will diminish the programs, effectiveness and achievements, and could have budgetary implications for other USAID programs in Bolivia.

The Embassy of the United States would like to stress that USAID assistance is provided by the Government of the

United States and funded by its citizens. It is subject to the sovereignty of the Government of Bolivia and bilateral agreements between our countries. The United States Government seeks to coordinate bilaterally on the content and direction of USAID,s assistance programs in Bolivia, as provided for in the Point Four General Agreement for Technical Cooperation Between the United States of America and Bolivia (dated March 14, 1951, signed and effective upon signature according to terms). We hope to avoid unilateral decisions such as the one reflected in Minister Aguirre,s July 9th letter, in order that USAID programs can be ongoing in a way that best meets the goals of the Government of Bolivia.

The Embassy of the United States respectfully requests that the Ministry of Foreign Affairs and Worship communicate to the Embassy concerning which, if any, of the affected USAID democracy sector programs the Government of Bolivia would like to see continued. USAID is prepared, as always, to provide a program-by-program review of the USAID portfolio in Bolivia and to mutually agree upon programs and activities requiring further implementation. The Embassy of the United States looks forward to the negotiation and signature of bilateral grant agreements between the United States and Bolivia, in advance of September 30, 2009, in order to comply with United States Congressional requirements to sign such agreements by that date. The Embassy of the United States looks forward as well to consultations with the Government of the Plurinational State of Bolivia concerning the implementation of United States assistance programs in Bolivia, as required by bilateral agreements between our governments and in the spirit of friendship and cooperation that underlies such assistance programs. Consultations, including decisions on termination or reactivation of the USAID programs in the democracy sector could take place at the upcoming Washington meetings regarding an "Acuerdo Marco."

The Embassy of the United States of America avails itself of this opportunity to renew to the Ministry of Foreign Affairs and Worship of the Plurinational State of Bolivia the assurance of its highest consideration.

Embassy of the United States of America La Paz, July 22, 2009

End draft text. CREAGAN